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July 31, 1997

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Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: Pacific Eagle
MASA Telecom, Inc.
Docket No. ET 97-82
Notice of Ex Parte Discussions

Dear Mr. Caton:

Pursuant to Section 1.1206(a)(2) of the Commission's rules, Pacific Eagle and MASA Telecom, Inc. ("MASA"), investors in Pocket Communications, Inc. ("Pocket"), hereby submit this Notice of Ex Parte Discussions. On July 30, the undersigned and representatives of Pacific Eagle and MASA met with Commission representatives to discuss C block PCS debt restructuring.

Pacific Eagle and Masa advocated the need for significant C block restructuring based on the unforeseeable downturn in the value of mobile wireless telecommunications companies, including cellular and paging company stocks that in turn fueled the downturn in PCS stocks as institutional investors sold off portions of their telecommunications portfolios to offset losses. Pacific Eagle and Masa asserted that Pocket placed rational bids supported by its financial advisors and management team during the C block auction, but that the value of the licenses in the public capital markets has decreased dramatically since that time due to an unforeseeable change in the valuation method for C block licenses based predominately on comparisons to D, E, and F block license prices. Pacific Eagle and Masa discussed that they, like other venture capital firms, would be unwilling to invest in the current C block licensees or any future C block license winners if the Commission does not restructure the C block debt and the current existing rules governing designated entities to allow for greater flexibility in raising capital. Pacific Eagle and Masa indicated that the current designated entity rules have undermined a small business's ability to raise capital, notwithstanding that the Commission designed such rules with the purpose of facilitating an entrepreneur's ability to raise capital.

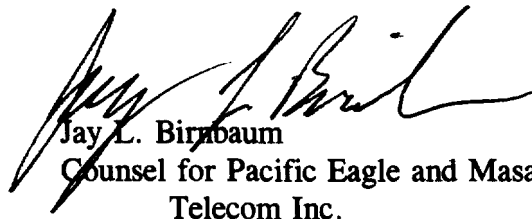
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Pacific Eagle and Masa also indicated that there will be a greater delay in service to the public if the Commission chooses to re-auction the C block licenses rather than restructure the current licensees' debt. Pacific Eagle and Masa posited that if the Commission does not restructure the debt many other C block licensees will go into bankruptcy, which will lead to significant, prolonged litigation. Under the U.S. Bankruptcy Code a bankruptcy court will look at a transaction after the transaction has occurred and ask (1) whether the purchase involved was for less than fair consideration or reasonably equivalent value and (2) did the transaction cause the purchaser (*i.e.*, the bankrupt company) to become insolvent. If the answer to both of these questions is yes, then the bankruptcy court would generally either unwind the transaction or restructure the transaction such that the purchaser pays only fair consideration.

The Commission was represented at two separate meetings by (1) Rudolfo M. Baca of the Office of Commissioner Quello and (2) David R. Siddall of the Office of Commissioner Ness. Pacific Eagle and Masa were represented at these two meetings by Daniel Hirsch, in-house counsel for MASA and Jay Goffman and Jay Birnbaum of Skadden, Arps, Slate, Meagher & Flom LLP. In addition, Pacific Eagle and Masa made their presentation at a third meeting wherein Pacific Eagle also was represented by Brian Murray, of B.V. Murray, and the Commission and Pocket were represented by the individuals listed on the attached sign-in sheet.

Copies of this Notice of Ex Parte Discussions have been provided to the above-referenced Commission representatives and Peter Tenhula of the Office of General Counsel and Jon Garcia of the Office of Plans and Policy, as required by Section 1.1206(b)(2) of the Commission's rules. An original and one copy has been submitted to the Secretary's office.

Respectfully submitted,



Jay L. Birnbaum
Counsel for Pacific Eagle and Masa
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7/30/97

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